## **BUDGET RESOLUTION/Deny Tax Relief, Increase School Construction Funding**

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 2001-2005...S. Con. Res. 101. Domenici motion to table the Robb amendment No. 2965.

## **ACTION: MOTION TO TABLE AGREED TO, 54-45**

SYNOPSIS: As reported, S. Con. Res. 101, the Senate Concurrent Budget Resolution for fiscal years 2001-2005: will set total spending at \$1.829 trillion and total revenues at \$2.003 trillion; will cut the debt held by the public (money that the Federal Government owes to creditors other than itself) by \$174 billion in fiscal year (FY) 2001 and by \$996 billion over the next 5 years; will fully fund Medicare (all of the President's proposed \$14 billion in Medicare provider cuts were rejected); will set aside \$40 billion for FYs 2001-2005 in a reserve fund for legislation to comprehensively reform Medicare while providing seniors with a prescription drug benefit; will save the entire \$976 billion in Social Security trust fund surpluses over the next 5 years for debt reduction and will enforce those savings through a 60-vote point of order; will ensure a non-Social Security budget surplus for the third year in a row (which will mark the first time since 1947-49 that the Federal budget has been balanced for 3 years running); will provide for \$13 billion in tax relief for FY 2001 and \$150 billion over the next 5 years (which will be sufficient relief to address the marriage-tax penalty, to provide increased health care access to the uninsured, to adopt small-employer tax relief, and to expand educational opportunities); will adhere to the FY 2001 discretionary caps of \$578 billion in outlays but will establish a mechanism to adjust these statutory caps to \$623 billion; will create a firewall to protect the defense budget from being raided for other spending; and will create new points of order to limit advance appropriations, delayed obligations, and the use of the emergency spending designation for non-emergency spending.

The Robb amendment would deny \$5.938 billion of the \$150 billion in relief that will give back part of the projected tax overpayments (non-Social Security surplus) that will be collected. Instead of giving back that extra money, the Robb amendment would propose spending it on the Education, Training, Employment, and Social Services budget function, with the stated hope that it would be spent on school modernization projects. Additionally, the amendment would spend another \$787 million of the on-budget surplus that is intended for debt reduction on that budget function.

After debate, Senator Domenici moved to table the Robb amendment. Generally, those favoring the motion to table opposed the

(See other side)

YEAS (54)			NAYS (45)			NOT VOTING (1)	
Republicans Democrats (54 or 100%) (0 or 0%)		Republicans (0 or 0%)	Democrats (45 or 100%)		Republicans	Democrats (0)	
					(1)		
Abraham Allard Ashcroft Bennett Bond Brownback Bunning Burns Campbell Chafee Cochran Collins Coverdell Craig Crapo DeWine Domenici Enzi Fritzgerald Frist Gorton Gramm Grams Grassley Gregg Hagel Hatch	Helms Hutchinson Hutchison Inhofe Jeffords Kyl Lott Lugar Mack McCain McConnell Murkowski Nickles Roberts Roth Santorum Shelby Smith, Bob Smith, Gordon Snowe Specter Stevens Thomas Thompson Thurmond Voinovich Warner			Akaka Baucus Bayh Biden Bingaman Boxer Breaux Bryan Byrd Cleland Conrad Daschle Dodd Dorgan Durbin Edwards Feingold Feinstein Graham Harkin Hollings Inouye Johnson	Kennedy Kerrey Kerry Kohl Landrieu Lautenberg Leahy Levin Lieberman Lincoln Mikulski Moynihan Murray Reed Reid Robb Rockefeller Sarbanes Schumer Torricelli Wellstone Wyden	EXPLANA 1—Official 2—Necessa 3—Illness 4—Other  SYMBOLS AY—Anno AN—Anno PY—Pairec PN—Pairec	rily Absent : unced Yea unced Nay I Yea

VOTE NO. 62 APRIL 6. 2000

amendment; those opposing the motion to table favored the amendment.

## **Those favoring** the motion to table contended:

Here we go again. Democrats have all sorts of bright ideas for spending more money instead of giving Americans tax relief. In this case, they want to fund Federal programs that will fund school construction as long as the money will be spent in accordance with detailed Federal mandates. We agree with the school construction goal and realize the importance of repairing, renovating, and building schools in some areas, but this will be addressed in the upcoming Elementary and Secondary Education Act (ESEA) reauthorization bill. Currently, the Government provides a significant subsidy for school construction by allowing States and localities to issue debt that is exempt from Federal taxation. This benefit allows those local controlling entities to finance school construction by issuing long-term bonds at much lower costs than they otherwise could. The interest subsidy saves school districts money and allows them to stretch their resources to meet their needs in the ways that they deem most appropriate, without Federal mandates. We note that this amendment ignores the fact that most States are meeting their school construction needs. This amendment would deny tax relief for everyone mainly to benefit the handful of States that have allowed their schools to fall into disrepair. The need for school construction in those States that have not kept up has little, if anything, to do with a growth in the population in our schools. Over the last decade, approval rates for school bonds and total school construction dollars have increased significantly while an increase in the population of school age children has been less than one half of 1 percent.

We must also call into question the logic of the arguments used in supporting this amendment and in opposing the budget resolution. First, this amendment claims to earmark funds for a particular program. However, all it really would do is increase funding---the appropriators would get to designate where that money would be spent. Second, Democrats claim that Republicans have savagely cut education in this resolution. The numbers, though, show that we added \$600 million more than the Clinton/Gore Administration requested. Democrats say our education numbers prove we do not care about children--what does that say about the leaders of their party?

Democrats have called our budget "anti-education, anti-children, and anti-family." For true anti-education, anti-children, and antifamily policies, one must turn to Democrats. First, Democrats oppose school choice because they do not want to allow parents and families to be able to choose what schools their children will attend. They prefer that children be kept in failing public schools that are controlled by teacher unions. Second, most Democrats have repeatedly opposed our attempts to provide affordable education through education saving accounts (ESAs). A great way to make good education affordable for average American families is through improved opportunities to take advantage of ESAs, but many of our colleagues are hostile toward any attempt to empower parents in the education of their children. Third, Democrats have continually attempted to increase the tax burden on the American people, forcing more and more families to have both parents working in order to cover taxes and basic needs. Our colleagues clamor for after-school programs to keep students busy after school before their parents get home from work, but they refuse to do anything about a Tax Code that forces both parents out of the house to work. Fourth, our colleagues refuse to eliminate the marriage penalty tax and the death tax, both of which are taxes that work against families.

Our Democratic colleagues are showing their true colors on this amendment when it comes to tax relief versus spending. Democrats want to spend more taxpayer dollars because they do not believe Americans are able to spend their own money wisely. Republicans, on the other hand, believe that when there is a surplus that we ought to give a fair portion of the money back in tax relief. This budget resolution will use 11 percent of the surpluses for tax relief, 15 percent for new spending, and 74 percent for debt reduction. Democrats think giving back 11 percent is too much; they want to use part of that 11 percent for even more new spending. Do our liberal colleagues ever propose cutting other spending in order to pay for their new programs? Of course not.

Democrats like to quote Federal Reserve Chairman Alan Greenspan when it comes to arguing against tax cuts. Interestingly, they neglect to mention that Chairman Greenspan also adamantly advises against spending the surpluses, saying that tax cuts would be better than spending increases. Democrats have also neglected to examine and critique the Clinton/Gore Administration's proposed use of the non-Social Security surpluses, which would be to spend 80 percent of the total, put 19 percent toward debt reduction, and provide only 1 percent for tax relief.

Liberals in Congress and the Clinton/Gore Administration think that our effort to let working people keep more of what they earn is risky for education, that somehow repealing the marriage penalty is risky, that somehow repealing the death tax is risky. Somehow it is risky to be giving money back to, or, more accurately, not taking money from, the American people. We disagree. We urge our colleagues to reject the tax-and-spend Robb amendment.

## **Those opposing** the motion to table contended:

Our Nation's public schools are in disrepair, but our Republican colleagues want to provide tax cuts for wealthy Americans instead of fixing the public schools. School buildings across America are in need of serious repair. The General Accounting Office estimates it will cost \$112 billion to upgrade our existing schools. Enrollment in elementary and secondary schools is at an all time high and will continue to grow over the next 10 years, making it necessary to build 6,000 new schools. America's students deserve the best schools we can give them. The Robb amendment gives Senators a chance to deny tax breaks for the rich in order to finance public school construction. We urge our colleagues to support this amendment.